

Missouri ConnectCare/ St. Louis Community DSH Section 1115 Demonstration Proposal

The proposed demonstration to transition ConnectCare to an outpatient system for indigents has two purposes. The first purpose is to transition ConnectCare from an inpatient to an outpatient care facility. The second purpose is to enable the St. Louis region to transition its “safety net” system of care for the medically indigent to a viable model not dependent on demonstration funds long-term.

I. Population Included

- A. The indigent population to be served under the demonstration will be demographically defined.
- B. Persons who present themselves for care at ConnectCare facilities, or other facilities receiving Demonstration funds, will be screened for Medicaid/SCHIP eligibility and advised about enrollment.
- C. The State will identify the percentage of the defined population served at the ConnectCare facilities, or other facilities receiving Demonstration funds, included in the demonstration that are non-qualified aliens. No federal dollars will be spent on these non-qualified aliens.

II. Federal Funds Available

- A. A capped amount of DSH dollars will be made available under the demonstration. The budget neutrality ceiling proposed by the State is a percentage of their DSH spending for acute care hospitals, and represents the share of DSH payments made in state fiscal year 2001 to ConnectCare. These funds may be accessed in two ways.
 - 1. Funds will be available for uncompensated care expenditures for the demonstration population.
 - 2. The Missouri Waiver application specifies a small percentage of the Demonstration funds to be made available for costs such as demonstration planning, evaluation, and meeting transition milestones. If the expenditures for uncompensated care for the demonstration population is less than the capped amount of DSH dollars, additional funds may be made available for costs such as demonstration planning, evaluation, and meeting transition milestones and deliverables, as long as the total funds spent do not exceed the demonstration cap.
- B. Funds currently provided by the State through the General Assistance Program and Certified Local Funds will be maintained at current levels.
- C. Federal funds provided under the demonstration may be gradually reduced in years 4 and 5, pending the outcome of the planning process of the St. Louis Regional Health Commission (RHC).

- D. The State will reconcile quarterly the amount of Federal money claimed with the cost of uncompensated care provided.
- E. No Federal funds will be provided for individuals, services, and costs prohibited by federal law and regulation.

III. Reporting and Evaluation

- A. The cost of uncompensated care provided under the demonstration will be substantiated in quarterly reports to CMS.
- B. Reporting will be coordinated with existing reporting practices (e.g. Medicare cost reports, etc.)
- C. An independent financial audit of ConnectCare will be conducted twice during the demonstration.
- D. The State will arrange for an evaluation of the demonstration.

IV. Benchmarks

July 1, 2002 - December 31, 2002

Identify and assess current ConnectCare indigent population:

- ConnectCare catalogs usage and costs between hospital, clinic, specialty care, pharmacy, dialysis, urgent care and other. The data will be reported quarterly to the state Division of Medical Services (DMS) which will in turn share it with the St. Louis Regional Health Commission (RHC), the Disproportionate Share Funding Authority (DFA), and the Centers for Medicare and Medicaid Services (CMS).
- RHC forms Planning Work Groups to review regional health care issues.
- RHC begins compiling and analyzing area data for use in planning, making recommendations, and marshaling resources.
- ConnectCare completes a system redesign plan. This planning includes the phase-out and closing of hospital beds and the surrendering of their hospital license.
- Disproportionate share hospital (DSH) funding flows from DFA to ConnectCare.

January 1, 2003 - December 31, 2003

- St. Louis Regional Health Commission completes and approves situational analysis document. Using existing reports as appropriate, the Work Groups will complete the following:
 - Prepare a report on current service capacity to the medically indigent – all providers in St. Louis region.
 - ❖ Primary care physicians
 - ❖ Specialists
 - ❖ Current facility capacity
 - Prepare a report on current and projected demand for service in the region, along with a more global community needs analysis.
 - ❖ Validate number of uninsured/under insured in region (current and projected)
 - ❖ Disease prevalence/use rates by geographic area
 - ❖ Projected need for key support infrastructure (i.e. transportation, pharmacy)
 - ❖ Provide description of how individuals currently access care (patient/referral flow diagrams)
 - Prepare a report examining current service capacity to projected demand, highlighting mismatches.
 - Prepare a report on Community Asset List – what is currently available and working well in the St. Louis region – highlighting potential areas for collaboration.
 - Prepare a report to confirm Funds Flow – where the money for services for the medically indigent is currently coming from and where is the money being spent.
 - Prepare a report describing the current efforts to measure and track services, funding, and outcomes for the medically indigent in the St. Louis region, highlighting strengths and potential gaps.
- ConnectCare begins implementation of system redesign plan.
- ConnectCare continues to report usage and costs data quarterly to the state Division of Medical Services (DMS) which will in turn share it with the St. Louis Regional Health Commission (RHC), the Disproportionate Share Funding Authority (DFA), and the Centers for Medicare and Medicaid Services (CMS).
- Spearheaded by the RHC, collection begins on regional health data including usage patterns. This effort requires the broad cooperation of the full range of providers and the state. Status and data update on this effort will be reported quarterly to the DMS for the purpose of waiver management.
- St. Louis Regional Health Commission begins work on its conceptual framework document. The RHC will prepare a strategic plan for delivery of health care services to the medically indigent people in the St. Louis area, highlighting ways to strengthen/streamline areas such as:
 - Points of access

- Provider networks
 - ❖ Primary care physicians
 - ❖ Specialists
 - ❖ Facility capacity
- Care coordination mechanisms
 - ❖ Care management (intra-organizational)
 - ❖ Clinical information sharing
- Future referral patterns
- Payment mechanisms
- Recommendations as to 1115 DSH waiver disbursements and reporting of funds usage
- System for tracking and measuring outcomes, such as:
 - ❖ Status of access to care
 - ❖ Advancements in coordination of care and efficient allocation of resources
 - ❖ Health outcomes for the medically underserved
- The DFA disperses DSH funding with guidance from the RHC, under the terms of the waiver. Proposed changes in funding should allow for a smooth transition in programs.
- DMS continues to report quarterly to CMS for waiver monitoring. Such reporting will include usage and cost data as well as an update on all planning and assessment activities.

January 1, 2004 - December 31, 2004

- St. Louis Regional Health Commission completes and submits its conceptual framework document. Using the reports above, the RHC will prepare a strategic plan for delivery of health care services to the medically indigent people in the St. Louis area as noted above.
- St. Louis Regional Health Commission begins work on implementation plan document. Based upon the strategic plan created in the conceptual framework document, detailed action strategies will be developed by the Work Groups in areas such as:
 - Facilities
 - Information systems
 - Physician recruitment
 - Patient flow
 - Funding streams/mechanisms
 - Legislative actions
 - Legal frameworks
- ConnectCare completes system redesign effort.
- The DFA disperses DSH funding with guidance from the RHC, under the terms of the waiver.
- DMS continues to report quarterly to CMS for waiver monitoring. Such reporting will include usage and cost data as well as an update on all planning and assessment activities.

January 1, 2005 - December 31, 2005

- Under the guidance of the RHC, the community health care system is working under the implementation plan.
- The RHC begins on future planning for improvements in St. Louis area health care delivery system. This work will provide guidance for waiver modifications and for the transition of the waiver past the five-year time limit.
- The DMS begins work to assess the impact of system changes on the Medicaid DSH costs in area hospitals and to collect health outcomes data through available reporting sources.
- The DFA disperses DSH funding with guidance from the RHC, under the terms of the waiver.
- DMS continues to report quarterly to CMS for waiver monitoring. Such reporting will include usage and cost data as well as an update on all planning and assessment activities.

January 1, 2006 - June 30, 2007

- Under the guidance of the RHC, the community health care system is working under the implementation plan.
- The RHC continues work on future planning for improvements in St. Louis area health care delivery system. Work is completed for waiver modifications and for the transition of the waiver past the five-year time limit.
- The DMS continues assessing the impact of system changes on the Medicaid DSH costs in area hospitals and to collect health outcomes data through available reporting sources. Data is being reported to the RHC to assist them in ongoing planning.
- The DFA disperses DSH funding with guidance from the RHC, under the terms of the waiver.
- DMS continues to report quarterly to CMS for waiver monitoring. Such reporting will include usage and cost data as well as an update on all planning and assessment activities.